

CONGRESSIONAL BUDGET FOR THE UNITED STATES GOVERNMENT FOR FISCAL YEAR 2009

(Senate - March 11, 2008)

Mr. COBURN. Mr. President, I am going to spend a little while tonight talking about the budget. I have listened to the budget debate all day, just like I did yesterday. I came in yesterday and listened to the debate. I have heard about tax increases and I have heard about spending and I have heard the things going back and forth. But what I did not hear was anything that had to do with this: This is the oath of a Senator. There are some interesting things. Let me read it first:

I do solemnly swear that I will support and defend the Constitution of the United States against all enemies, foreign and domestic; that I will bear true faith and allegiance to the same; that I take this obligation freely, without any mental reservation or purpose of evasion; and that I will well and faithfully discharge the duties of the office on which I am about to enter: So help me God.

The interesting thing about that oath is nowhere in that oath does it mention your State. There was, by design, never any intended part by our Founders that we would place parochialism ahead of our duty to this country. Yet where do we find ourselves today? With \$9 trillion, almost \$10 trillion, at the end of this fiscal year, in direct debt.

We have heard all sorts of numbers quoted today. The actual number for the obligated unpaid-for liabilities that our next generations will face is actually \$79 trillion. It is interesting where that comes from because that comes from the retirement benefits for our service personnel, the retirement benefits for Federal employees, including people who work in this Chamber, Medicare payments, Medicaid payments, all the various trust funds we have set up through the years, such as the Inland Waterway Trust Fund, the trust funds associated with other distinct obligations in terms of infrastructure in this country. We are stealing all that money every year that is supposed to go to it. As a matter of fact, the budget deficit this year will be, in real accounting standards--not Enron accounting standards--\$607 billion, of which about \$160 billion of that is going to come from Social Security and about another \$30 billion to \$35 billion from all these other trust funds.

So when you hear a number that comes from Washington, I want us to be very suspect because we are much like the CEO at Enron, Ken Lay. We are not going to send you the real number. It is not because we do not intend to be honest; it is because we have sold out to parochialism.

Now, I want us to think about that for a minute. Later on, I am going to show some examples. I am going to go through \$350 billion-plus worth of waste that occurs annually in this country. But how is it that we have \$350 billion--by the way, it is not going to be disputable. There is going to be an absolute reference to either a GAO study, a CBO score, a congressional hearing or published reports that are out there. So it is not

going to be Tom Coburn's estimate. It is going to be a factual basis of what is occurring in our country.

But how is it we got to the point where Members of Congress--both of the House and of the Senate--have all of a sudden forgotten what their oath is; that, in fact, their primary means is: How do I send more money home to my State? How is it that we have gotten to where we have \$79 trillion in unfunded liabilities? We have \$10 trillion in true debt, at the end of this fiscal year. We are going to have a \$600 billion deficit--real deficit--this year, which we are going to obligate our children to pay for.

I would put forth: We forgot our oath. We forgot what it is about. Our State is not mentioned. When I am parochial for my State, there is no way I can live up to the oath I took when I came into this body. There is no way, if I am parochial for Oklahoma or Ohio, I can possibly make a decision that is in the long-term best interest of the country, when I am thinking about the best interest of my State in the short term.

So, consequently, what came about from that? Well, here is what we saw in terms of earmarks, the growth of earmarks and the growth of Government spending. Isn't it interesting, we have heard all the debate today about tax increases, but nobody, except Senator *Brownback*, talked about cutting spending. Here we have the earmarks in 2006. In 2007, there were another 11,800 earmarks. So it went to 12,000 earmarks. But the spending continues to rise. There is a correlation between earmarks and spending, and it is this: Earmarks are the gateway drug for overspending.

Let me explain how it works. If I want something for Oklahoma and I submit a request and the appropriators are kind enough to honor that request and I do not vote for the bill, regardless of whether I agree with the bill, the next time another appropriations bill comes up and I have a request, I will not get it. So all of a sudden my earmark blinds me on a parochial basis for what is best for Oklahoma, but I do not do what is best for the country. So you see this trend going up, and it continues to go up. If you had one for debt, you would see that. If you had one for unfunded liabilities, you would see the same thing.

Now, what did our Founders have to say:

Congress had not unlimited powers to provide for the general welfare, but were restrained to those specifically enumerated.

This is Thomas Jefferson, the founder of the Democratic Party. This is what he said:

As it was never meant they should provide for that welfare but by the exercise of the enumerated powers.

Earmarks are not enumerated powers. The only power they are is how we find ways to get ourselves reelected. That is the power they are. Here is the founder of the modern Democratic Party who now chastises us with his words about what earmarks are.

Yet what do we do? We are going to have a vote. We are going to have a vote on this budget on a moratorium on earmarks. I am very thankful to Senator *DeMint* for bringing that up.

The argument about earmarks is over everywhere except in Washington. If you look at all the polling data throughout the country, in every State, it does not matter if you are Democrat or Republican or Independent, it is over. They have already decided the issue. Eighty-five percent of the people in this country say we should not be doing it. It does not have anything to do with age. It does not have anything to do with party. Do you know what it has to do with? Those people who are getting them and are well heeled and well connected to politicians, they are the ones who do not want the earmark party to be over. That ought to send a warning signal to the rest of Americans that there is something wrong with this process.

Here is what is wrong with the process:

[T]he principle of spending money to be paid by posterity, under the name of funding, is but swindling futurity on a large scale.

This is the same bright man who was very involved in the genesis of our country, talking to us from history about what is important on earmarks.

In 1996, there were less than 900 earmarks. How did we go--in 10 short years--from 3,000 to 15,000? What changed? The argument is: We have an obligation not to let the bureaucrats spend the money. Does that mean all the time before this, when they were much lower, we were not doing a good job? Or could it be that all of a sudden the political tool of earmarks became the soup du jour that politicians use to get themselves reelected and collect campaign money by accomplishing those things?

So I wish to spend a little time tonight talking about the unsustainable course we are on. International markets now doubt our ability to pay off our debt. Our AAA credit rating is in jeopardy. The dollar is declining. Medicare has hit a trigger for the first time in its history that signals we are dipping into general revenues at a rate that is unsustainable. By the way, Medicare was never intended to be paid for with funds from general revenue. Do we have a moral obligation as Members of Congress to do what every other family does in tough times and tighten our belts?

So what I am going to try to do tonight is lay out \$388 billion worth of things the Congress could do tomorrow that would save us \$388 billion.

Now, somebody may dispute the fact that if we totally changed the Tax Code to either a flat tax or a sales tax we might not have a tax gap--the amount that is owed that is not paid--of \$350 billion or \$370 billion. We may only have one of \$270 billion. I will admit that. So you can take an arrow at that. But the rest of it you cannot take an arrow at. All the rest of it is indisputable.

As a matter of fact, we had testimony before the Budget Committee and before the Finance Committee by the IRS that said if, in fact, you funded them properly, they could get between \$30 billion and \$40 billion of the tax gap back over a period of 5 years. We know for every \$1 we give them in terms of enforcement, they get \$3 to \$4 back.

The problem in our country is overspending and wasteful spending. It is not undertaxation. It is a moral question whether we will ask the American people for more money when, in fact, we are terrible slobs with the way we control and manage the money they have today, where we are wasteful.

The American people would expect us to get rid of fraud, waste, and abuse before we raise their taxes. Calling for higher taxes is akin to saying you want a performance bonus for us. That is what it is saying. It is absurd to claim the Government is operating at peak efficiency and spending cannot be cut anywhere. But yet we do not see it. It is not just the Democratic budgets. It is the Republican budgets. I will give credit to President Bush. At least he has a park program and at least they have brought forward recommendations of getting rid of programs that absolutely are not functioning, absolutely do not come anywhere close to meeting the goals. Because they have special interests, they are protected by individual Senators. Blocking new spending is not about obstructionism. The real obstruction is wasteful spending and not going after the wasteful spending at a time when we are asking Americans, who are tightening their belts, to give more money to the Government. That is the real obstruction.

Looking for new ways to spend money is not our job. Our job is to conduct oversight and eliminate programs that are not working. We are not doing our oversight. As a matter of fact, the CRS did a study on oversight. If we put this sign right up here and we look at oversight hearings, what you will see is: As the earmarks have gone up, oversight has gone down. Do you know why? Because the only thing the Appropriations staff has time to do is to barely get the bill out and then manage all the earmarks. So where is the oversight to see what is working and what is not? It isn't there.

The other assumption with this budget is that we have a blank check--and with Republican budgets, not just the majority's budgets--to spend money however we desire, however we choose. Well, that does not appear in the Constitution. We have totally thrown it away when it comes to spending. We have totally thrown it away under the concept of either the interstate commerce clause or the general welfare clause. We have decided that those do not mean anything, even though the significant Founders of our country believed they did.

So let's go back to the oath. Does the oath mean anything? I will "defend the Constitution" is what it says. Oh, that means I will twist it to make sure I can do parochial things that make me look good at home. Is that what it means? Can I fully represent and do what is best for our country when I am worried about doing what is best for my State and me?

Which one is the more moral position?

James Madison, the father of our Constitution, was very clear on this point. He said:

With respect to the two words "general welfare," I have always regarded them as qualified by the detail of powers enumerated in the Constitution that are connected with it. To take them in a literal and unlimited sense would be a metamorphosis of the Constitution into a character which there is a host of proofs was not contemplated by its creators.

In other words, when you are starting to fudge the deal, that is not what we intended, guys. When you are starting to play games with the Constitution, that is not what we intended. And he spoke it in anticipation so that he would be on record. And we would know what his record was about, what they intended about general welfare. The arguments we hear in defense of earmarks would be ridiculed by our Founders after they got over their nausea.

President Reagan criticized the 1987 highway bill because it had 152 earmarks. As a matter of fact, the one before that he vetoed and sent back, and it had even fewer than that. So this isn't an old phenomenon; this is a modern phenomenon. This is something modern that we need to change.

It is interesting that so many in this body seem more interested in adhering to the constitutional scholarship of Jack Abramoff rather than James Madison, much to our detriment. Why do you think we have between an 11 and 22 percent confidence rating from the American people about whether we are doing their business in the best interests of the country, rather than our business?

Another argument I hear often is that we know better than faceless bureaucrats. Yet if we don't like what an agency is doing, we don't have anyone to blame but ourselves. We have the power of the purse and the power of oversight. The problem is we only use the power of the purse to spend, not to restrict. The last time a rescission bill--and for those who don't know what that is, it is a bill that decreases rather than increases spending--went through Congress was 1995.

Overcoming our addiction to earmarks will help us confront the massive waste that is in the Federal budget. We have to do a top-down review of everything in this country if, in fact, we want to hold to the things that are really important, the things that are really worth our sacrifice, which is the next two generations.

Now, it is really interesting that the Government Accounting Office says that every family today is responsible for an unfunded liability of almost a half million dollars. If we think about what that means in terms of carrying that interest, paying your regular taxes and then carrying that--the other thing is if you divide the unfunded liability by the 200 million kids who are going to come on between now and the next 75 years,

what we are talking about is \$400,000 per child; \$400,000 per individual child who is born starting today and moving forward that we are going to add. Think about carrying the interest. Think about what will happen to them.

Now, let me put up a chart, and we will go through this for a minute. This has \$383 billion – actually a more recent chart shows \$385 billion – in annual expenditures that are wasted. I would like to spend a minute on that, but let me describe what it is. It is \$3,000 for every American household in this country down the drain. It is a full 4-year scholarship for two-thirds of all of the college students in this country. It is enough money to buy a new home for 2 million Americans, based on the average price of a home. It is enough money to get the 2 million Americans who are facing foreclosure out of foreclosure and pay for their entire mortgage. That is what we are wasting in one year. It is enough money to pay for the health care of everybody in this country who is either underinsured or uninsured. All 47 million who are uninsured and the 35 million who are underinsured, we can pay for them, just by getting rid of this waste.

It is more than the gross domestic product of 85 percent of every country on Earth. How much we are wasting through fraud and abuse and waste is greater than 85 percent of the gross domestic product of every country on this Earth. It is more than the gross domestic product of 40 States in our Union. It is enough to meet the one campaign's annual goals to end extreme poverty over the next 10 years, over 10 times not enough. More importantly, it is enough to build 1,500 bridges to nowhere over every river in the world, times 10. That is how much money it is.

So what are the crises that we face? It is important that we put ourselves in the shoes of the typical American family in this time of tightening. What do they do? They reassess. They look for waste. Their debt is fixed. They try not to get additional debt. They try to spend less money. They try to conserve. They try to turn the thermostat down. They try to only drive when they have to drive. They try to buy cheaper foods. They don't buy the things they would like to buy. They buy and spend money only on bare necessities, if they can.

Well, a \$607 billion deficit this year, a \$10 trillion debt, and a \$79 trillion unfunded liability ought to cause us to do the same thing, except we have only heard 1 percent in 2 days of debate talk about eliminating wasteful spending, and that was Senator Sam Brownback from Kansas.

In the short term, we will get through this economic slowdown. Hopefully, energy prices will become more affordable for us. But everybody knows in this body, whether we want to admit it or not, we are approaching the day of reckoning that we would not get through. As David Walker, who is the Comptroller General of the United States, a nonpartisan position, said: We are on an unsustainable course. It is absolutely unsustainable. The question is whether our kids are worth us making the hard choices.

Economists on the left and the right from groups ranging from the Brookings Institute to the Heritage Foundation recognize the course we are on. We hear all the time

that the only problems are the mandatory programs: Medicare, Social Security, and Medicaid. I am going to show tonight that it is not the only problem. It is a lot of the problem, there is no question about it. It is not just the demographics of it and the growth. There are a lot of management problems that we fail to address.

Each family's share, which I spoke about a minute ago, of the unfunded liabilities is over \$450,000 right now. By 2040 – and this is not my number, this is the Government Accounting Office – total Federal spending will have to be cut by 60 percent or we will have to double Federal income tax rates.

Now, we heard Senator *Hatch* talk about how 50 percent of the country now pays 97 percent of the taxes. What happens when we double our tax rates, or another question is, what happens when we don't have any Government programs except Medicare and Medicaid and Social Security? No military, no Department of Education, no NASA, no NIH, no CDC. All of those are gone in a very few short years. More importantly, in 2012, my generation starts heavily hitting Medicare and Social Security, the first baby boomers. What happens if we don't address that?

We would be wise to remember the words of Will Durant:

“A great civilization is not conquered from without until it has destroyed itself from within.”

For the typical family sitting around the dinner table right now across America, the answer is obvious. It is time for some belt tightening. It is time for us to do the hard work of eliminating the duplication of wasteful programs. From their perspective, if they have to tighten their belt, we should too. It is not our money, it is theirs. Yet in this body we don't believe we have to live by the same set of rules. We have demonstrated that by our behavior. We like to pretend that we don't live in the world of credit ratings and scores. We ignore economic realities and look for ways to spend money on things that aren't necessary – they may be nice but aren't necessary – with little regard to how our decisions are going to affect our ability to pay for things we must pay for.

By arguing that Americans aren't taxed enough, Members of Congress are claiming that Government spending can't be cut any more in the budget because the Government is running so efficiently it deserves a raise. I don't think there is hardly anybody out in America's midsection, northeast, northwest, southeast, southwest, south central, who believes that. That is a fairy tale that is believed here, except we don't confront it.

Every year we have given Congress a performance bonus that has been adamantly unearned. Americans find this absurd. That is one of the reasons our approval rating is so low.

A question we should ask probably is, if our Nation's survival were at stake right now, would we be acting any differently? Would we have this budget, or the Republican

budget, from 2006? Would those have been the budgets? No, they wouldn't have been. We would have been thinking long term. We would have been making the hard decisions. We would have said: Our country is worth us irritating some special interest group over some item that is no longer efficient or no longer effective. We wouldn't be worried about weighing the future of our children and our grandchildren against the special interests and monied of this country. We wouldn't worry about it.

Well, the fact is, the future is on the line, and if we don't act in the next couple of years, we are going to fall into Will Durant's trap, as we will have rotted inside our own excesses of politics, as we quietly didn't do the things that we could have done to fix the problems that are in front of this country.

It is called maintenance. It is like when you don't mow your grass or you don't pick up the trash in front of your yard. What happens is the value goes down, the pride goes down. Well, that is what has happened to us because myself and the vast majority of Americans believe overspending is a greater moral challenge than undertaxation.

I want to spend some time now going through what I call 2008, a waste odyssey. This waste odyssey is – I am going to be describing a few areas of Government, and I am going to go through them fairly fast so we can see it, and it will be on my Web site in the next week or so. But I am going to outline at least \$385 billion, of which I will guarantee \$355 billion of it cannot be legitimately challenged that is not waste; \$355 billion annually that is wasted or defrauded from the taxpayers of this country, and we are doing nothing about it. This budget doesn't do anything about it; our appropriations oversight committees don't do anything about it. The committees don't make the amendments to do something about it. We do nothing about it. So we come back to that all-important oath. Mr. President, \$385 billion listed, \$383 billion on this one chart, \$385 billion of which \$355 billion nobody will be able to dispute.

Here is what we know. Medicare fraud, out and out pure Medicare fraud. It is somewhere between \$70 billion and \$90 billion. I picked the middle, which is \$80 billion. We have testimony and studies and lots of data on that that will show us that at least \$80 billion worth of Medicare money is being ripped off every year.

Let me give some examples. I will go through some. Here is one company that billed Medicare \$170 million for HIV drugs. Do you know how much in HIV drugs they did? Less than a million. But they billed \$170 million. There was \$142 million for nonexistent delivery of supplies and parts and medical equipment--\$142 million.

How about taking Medicare numbers from seniors and billing Medicare for prosthetic arms on people who already have two arms? That came to \$1.4 billion last year. Think about that – \$1.4 billion was billed to Medicare for prosthetic arms for people who don't need prosthetic arms.

How about 80 percent of the drugs billed across the entire United States for HIV under Medicare went to the State of Florida, which has less than 10 percent of the HIV

patients who are eligible for Medicare. How is that possible? How about one wheelchair that got billed to Medicare? It was never sent, but they billed \$5 million to Medicare through multiple billings. It is easy to add up to \$80 billion.

I could go on. How about fake Medicare providers for the elderly, when they steal their number and send multiple bills to multiple locations throughout the country for the same Medicare patient. That is \$10 billion in improper payments. The actual improper payments were \$37 billion the year before last, and \$27 billion last year and of that, \$10 billion of it is unrecoverable. We paid too much or we paid the wrong person. That is \$10 billion out the door, which is \$250 per man, woman, and child in this country in improper payments on Medicare.

Medicaid is another one. There was \$30 billion worth of fraud. It is higher than that; that is only the Federal Government's portion of it. It is easily documented, but we cannot document it because Medicaid doesn't file improper payments like the law says they are supposed to. Why? It is because we have not had the guts to put any teeth into forcing HHS to have improper payments. Last year, finally we got 6 months of improper payments on only direct payments to doctors. They found \$13 billion worth of improper payments. We have a report that says there is probably \$15 billion worth of fraud in Medicaid in New York City alone, of which the Federal Government's share would be about \$8 billion to \$9 billion.

How about the fact that we paid, in 10 States, over \$30 million for payments for Medicaid services to people who are dead? Yes, we paid that. We have a great system that is working well. How about the fact that 65 percent of all Medicaid rehabilitative services are fraudulent? So of the rehab bills that are filed with Medicaid through CMS, 65 percent are fraudulent.

Why do we continue to let that happen? Where is the oversight? Ninety percent of New York Medicaid school-based service claims were illegitimate. Case management. CMS reports that in one State, 72.4 percent of the claims weren't valid in terms of Medicaid case management.

Then we have the infamous drug scandals with the drug companies that have been overbilling to the tune of a billion dollars.

How about Social Security disability fraud? We have that listed at \$2.5 billion. What we know is the following: There is at least \$6.5 billion in improper payments in Social Security disability. So we have paid them a much smaller percentage than we have on any other improper payment program throughout the Federal Government and said we will take a small percentage of that, less than 40 percent, which is normally 80 percent, and we will list it at \$2.5 billion. It is coming out of Social Security every year--totally wrong--and that \$2.5 billion could stay in the SSI program to fund people who were truly disabled. Yet we let \$2.5 billion sneak out. Why? That is us. We have not done the oversight.

If you add up all of the rest of the improper payments in the Federal Government, you come to \$55 billion. That is what is reported. But that doesn't include the 18 agencies of the Federal Government that don't even report improper payments, even though it is the law, which accounts for another \$179 billion worth of spending. And if they are anywhere close to the rest of it, there is 5 to 10 percent of improper payments. So there is anywhere from \$3 billion to \$7 billion more in improper payments.

DOD performance awards. Here is what we have done. Over the last 3 years, the DOD paid out \$8 billion on average a year to contractors for performance bonuses that didn't meet the performance requirements of their contract. Think about that--\$8 billion a year. That is almost twice the total budget of my home State that we are paying for performance bonuses for contractors that don't meet the requirements of the contract, but we pay them anyway. Why do we allow that? Why do we allow that to happen?

How about DOD maintenance of unneeded properties? We have testimony and a report that shows they have 22,000 pieces of property they don't want. They are spending about \$3 billion maintaining properties they don't want. But we put roadblocks in the way so they cannot get rid of them. Is that Americans' fault or is that something we should have addressed? We didn't do it. Consequently, we are going to throw out \$3 billion more this year to maintain properties we should have sold 5 to 10 years ago.

We also know that within the Federal Government, outside of the DOD, we have another \$18 billion worth of properties we cannot get rid of because we cannot go through the hundreds of hoops we have to be able to get rid of them. That is a one-time savings. That is not even on here. That is a one-time savings we would achieve if we had a real property reform that forced the bureaucracy to do what was best when it came to real property.

Going back to the performance bonuses, when GAO looked at it, they found no connection between the payment of performance bonuses at the Pentagon and performance--not just on this \$8 billion they said was paid erroneously, but on the rest of it. I think we have an Armed Services Committee in the Senate. We certainly have a DOD Appropriations Committee in the Senate. You would think this might be one thing we wanted to do oversight on. Yet no oversight hearing has happened. Why is that? Why haven't we looked at how we are wasting this money?

How about no-bid contracts. This is my favorite. We have seen the problems between Boeing and Northrup-Grumman on a new tanker, a \$35 billion new contract--except we know we have needed a new tanker for 12 years. We have had planning on that for 12 years. We are letting a cost-plus contract go through because we don't know what we want. Do we not think whoever won that contract ought to have to take some risk, development risk? Do we think the American taxpayer ought to pay that? We know we lose at least \$5 billion a year across the Government in no-bid contracts. That is probably minor. That is a small estimate within the Pentagon. We have not even looked at all the other no-bid contracts throughout FEMA, which we know was tremendously wasteful during Katrina. We know that at least \$3 billion of the money we spent during Katrina,

from hearings we had on homeland security, was wasted. When the average price we pay to pick up debris from Katrina to the guy actually picking it up is \$6 a yard, and we are paying the Corps of Engineers \$32 a yard, there is a problem. The taxpayers are getting swindled by 500 percent. Yet we did that to the tune of billions of dollars after Katrina, with no management or oversight.

What we know is in homeland security--and especially from Congressmen *Waxman* and *Davis* in the House--32 Homeland Security Department contracts, worth a total of \$34 billion in no-bid contracts, have experienced significant overcharges, wasteful spending, and mismanagement. Between 2003 and 2005, the no-bid contracts in the Department of Homeland Security increased by 739 percent. There is no management. We are allowing that to happen. When we argue that we cannot let the bureaucrats control it, when we say we have to do earmarks, but we don't do oversight, we are letting the bureaucrats control it. If there is \$300 billion worth of waste, fraud, and abuse here, and our earmarks account for \$18 billion, what price are we paying by not managing the Federal Government and having oversight? We are not doing it.

Emergency spending, another one we won't be critical of ourselves. We put emergency spending in on the floor and add from \$20 billion to \$40 billion and call it an emergency, and none of it meets the definition of an emergency. We do that so we can go outside of the spending parameters that we have limited ourselves to either through pay-go or the budget. But it looks good at home--or does it? It looks good at home until we start talking about the waste, talking about the fraud, talking about the mismanagement, talking about the denial of our oath we took when we came here to uphold the Constitution. When we allow bureaucracies to waste money, when we don't have oversight of those bureaucracies, then in fact we have abandoned our oath.

It is interesting, in emergencies, up until recently, when we had emergency spending, we paid for it. In my home State of Oklahoma we had the Oklahoma City bombing, a tremendous tragedy. It was the first major internal terrorist act we had. All of the money that went toward restoration of that was paid for. We didn't borrow it from our grandchildren. Let me go back again. When we don't pay for things with emergency spending, we charge it to them. When we have a true emergency, which we might say we didn't plan for, that is one thing, but when we know what we are putting into the bill is not an emergency, we are saying they don't matter, we don't care. We care more about looking good and getting some constituent satisfied than thinking about the future of these kids.

How about other areas? How about crop insurance? Do you realize that for every dollar we pay out in crop insurance, we spend over \$3 in administrative fees and underwriting to insurance companies? How is that a good deal? Regardless of where you are on the farm bill, why would we do that? That is at a rate of five times what the rest of the insurance industry earns.

Who has the sweet deal here? Who has the sweet deal? It is not these kids. They don't have a sweet deal, when we are paying three times more than we should to

administer a crop insurance program and not requiring farmers to participate. That is the minimum we can save--\$4 billion a year--by saying you can earn the same amount of money as everybody else in the casualty insurance business, and no more. No more sweet deals for crop insurance firms. But do we do it? No. I voted wrong on one of the amendments for it. It may have been the amendment of the person sitting in the chair. But we didn't do it.

One of my favorites is the United Nations. We sent \$5.3 billion last year to the U.N. and we cannot get the State Department to tell us what our total was in 2007. That was 2006. By law, they are supposed to provide that, but they don't comply. The Foreign Relations Committee won't make them comply, and the Appropriations Committee won't do it, because we don't want to know how much we send. But the American people want to know.

But the Secretary of State does not want to give it to us. Our committees will not force them to do it. What do we know about that, of the leaked documents that came out looking at how money is spent? What we know is on procurement and peacekeeping that at least 40 percent of the money that is spent is wasted. Think about that. At least 40 percent is influenced through people of influence and does not ever get to what it is supposed to be doing. It never gets into the peacekeeping field. Only 60 percent of the procurement money actually ever gets to where we want peacekeeping, and yet we don't do anything about it.

We have asked for transparency at the United Nations. This body voted 99 to 1 to condition last year's money on that transparency. It went to conference, and all of a sudden for some reason that was dropped. I wonder why that happened? We thought the United Nations owed us an explanation to tell us where they spent our \$5.3 billion but, in our wisdom, we did not accede to that because it might have upset the U.N. Consequently, about \$1 billion a year of what we send to the United Nations is pure waste--pure waste. It goes to fraud. It goes to buy off people. It goes to not accomplishing the goals.

If we look at what we are trying to do in Darfur and the new U.N. program over there in terms of sending an interdiction force, what we know is 40 percent of the money has been wasted. It has been scavenged. It has been taken away. It is not going to make a difference in somebody's life.

It is interesting, the U.N. peacekeeping budget this year will grow from \$5 billion to \$7 billion, a 40-percent growth in 1 year. And of the top five contributors to the U.N. budget, which is us, the United Kingdom, France, Japan, and Germany, all of our budgets are going to grow around 6 or 7 percent. But because we do not have any transparency, we do not have any management at the United Nations, we have a spoil system and we do not have the courage in our body to hold them accountable, we are going to throw \$1 billion to \$2 billion of our kids' money away.

Oh, I know, we shouldn't rock the boat at the United Nations. They are the people who care about freedom in the world. It is hard to see. If they care about freedom, transparency would be one of the No. 1 things they would assure themselves.

How about another \$10-billion worth of savings? We have \$64 billion worth of IT contracts going on right now; \$27 billion of those are on the high-risk list. In other words, we routinely lose about 20 percent of our investments in ITs. They don't ever accomplish their goals. We spend the money, and we never get anything for it. Where is the management for that program? Where is the accountability for that? It is similar to the tanker program: Give me a cost-plus program, I don't know what I want now, but I know I want something, and I will tell you as we go what I want. And so the bills start adding up. So out of the \$64 billion we spent last year, \$27 billion of it is questionable we are ever getting anything out of it.

Take a conservative estimate of that, which is less than what we know historically the IT oversight from GAO has told us, and we are going to lose \$10 billion on programs that were not asked for right, were not managed properly or we just flat did not get what we asked for and parted our ways and threw these kids' money away.

Then there is another \$17.5 billion we can save from the National Flood Insurance Program. It was created in 1968 by Congress to prevent the need for future emergency spending for large floods. It was designed to be self-supporting, to pay back any debts with proceeds from ratepayers. But what happened was, on the way to the store, the politicians got in between them. So now we have a vast majority of properties that have been grandfathered in that historically have made claims. They were built before the NFIP construction standards, and they receive premium subsidies. In the wake of Katrina, we have a one-time savings of \$17.5 billion that we could have had we had that program. But where are we? We now have Gulf Coast States lobbying us that we should increase that program, except the kids I showed the picture of are responsible for that.

The other item, and I challenge all my colleagues to start talking with Federal workers about where they can save money. If you ask them, every one of them says, yes, we can save money. As a matter of fact, we can save a lot of money, but nobody is asking. As a matter of fact, the system is, if we haven't spent the money by the 10th month, we are told to spend it, we are told to spend the money because we might not get enough money next year, and if we don't spend it, then it looks like we don't need it and, therefore, our budgets will be declined. In fact, out of the \$1.36 trillion we are going to spend this year, we could save 5 percent easily, 5 percent efficiency. If we can save it, if the Federal employees, the thousands with whom I have talked, are right, why aren't we saving?

Let's go down through a few more, and then I will finish.

We know if we simplify the Tax Code, either change it to a flat tax or straight tax or a value-added tax--whichever one you want, it doesn't matter--what we know is if we did that, we could get significant savings. Let me tell you how.

One is we know compliance will be better. But we also know we have a \$10 billion budget for employees at the IRS that if, in fact, we could create a simpler, fairer, straighter system--you pick which kind, I don't care, value-added tax, whatever it is--that we would not need nearly that many employees and we would not spend \$160 billion a year paying our taxes, which is what we pay other people outside the IRS.

We also know the IRS, for every dollar they spend investing in compliance, gets between \$3 and \$4 back. So somewhere between \$50 billion and \$100 billion out of the \$370 billion that we don't get now, we can save. But we tend to want to use it for a political debate.

How about eliminating outdated and wasteful programs. Let me go through some of them. That is \$18 billion. Science fiction weapons, \$431 million, got nothing for it over the last 10 years, nothing for it, and we spent \$431 million and got nothing.

The Coast Guard lengthened eight patrol boats through an earmark. It cost \$100 million. They are all worthless now. We have to buy eight patrol boats. Somebody had a good idea.

How about excessive fuel costs? At minimum, \$35 million a year, and what we know now looks like in Iraq another \$12 million worth of fraud occurring in the fuel depots inside Baghdad. Another \$40 million, \$50 million on fuel.

How about improper travel payments at the Defense Department, \$4 million a year? Security clearances--it costs us half a billion dollars a year to do security clearances because we are doing it in the Dark Ages when, in fact, for almost every other thing around this country we have developed modern systems, computer-aided IT to develop how fast and how often we can clear security items. Yet we spend half a billion, and it takes a year to get somebody cleared. We could cut that in half.

We had a wonderful earmark for polyester t-shirts for our marines. The only problem is, if their MRAP or humvee has a fire, it sticks to their skin. But we still spend \$3 million on them.

How about a ferry to nowhere, 84 million bucks? We rejected the developmental boat proposed from a defense contractor in 2002, and the U.S. Navy was required to accept the project and the bid and deploy it to the seas for field engagement, even though it never proved economically worthwhile.

How about a James Bond boat, \$4.5 million, three of them?

A high-altitude airship. The President knows something about this. The Missile Defense Agency did not request funding for this program. As a matter of fact, they said they canceled the program called the high-altitude airship because of capability limitations. Yet we continue to spend at least \$1 million a year every year on that program because somebody wants it. Some constituent, some moneyed interest,

somebody who might employ 20 or 30 people wants it. Somebody wants it, so we have to look good.

How about the American Embassy in Iraq, \$592 million? We know a good 20 percent of it is pure waste. We have seen the fraud. We have seen the reports. We know what is going on there. Have we cut back the amount of money? Have we limited the amount of money on it? No. We offered an amendment and couldn't get it done.

How about USAID in Afghanistan, \$5.68 billion spent for schools. In the first snow, the roofs collapsed on them. Did we do anything about it? No, we hired the contractor to do more stuff on a cost-plus basis.

How about hospital clinics that were supposedly built, except after we paid for them, the Afghanistan Government told us they didn't build them. How do we let that happen? That is us. That isn't the bureaucracy; that is us. We are letting it happen. We are allowing it.

We spend \$20 billion on Federal AIDS programs and what we know is lots of it gets wasted. We know there is widespread deficiencies within the Centers for Disease Control and Prevention in the HIV prevention program. Those are not my words; that is the HHS inspector general.

Two million dollars was embezzled at the San Juan AIDS Institute. NIH is spending \$120 million right now on a vaccine program. The starter of that program and the major scientists who started it said it will not work, and they are not contributing, but we continue to spend \$120 million on a program everybody in science knows is not going to work, but we are doing it.

By the way, we spent \$300,000 or \$400,000 on HIV Vaccine Awareness Day, and we don't even have a vaccine. It is important we spend it, but we cannot get rid of it because somebody objects.

AIDS housing, millions of dollars wasted.

Here is my favorite. How about \$1 million paid to dead farmers? A billion, I am sorry, a billion dollars paid to dead farmers for their crops. They are dead. We are continuing to pay them, up to 15 years some of them. It is the only program you can continue to collect after you are dead, and yet we have an Agriculture Department that allows that to happen.

How about this – this is great – the National Park Service centennial celebration. We are going to spend \$100 million in a time when our deficit is \$607 billion, our debt \$10 trillion, and our unfunded liabilities are \$7 trillion, and we are going to spend \$100 million to celebrate our national parks? That doesn't pass the smell test. Nobody is sitting around their dinner table tonight saying if we are ever in the kind of shape we are in, we ought to be doing that.

How about \$100 million for the conventions that we did under emergency funding? We spent \$100 million, everybody's money, for each city so we could have the conventions in Denver and Minneapolis.

The other interesting thing about the national parks is it doesn't turn 100 until 2016, 8 years from now, but we are going to spend the money.

How about a \$30 billion subsidy to Amtrak? Amtrak started with a subsidy and was supposed to get better. We continue to not hold them accountable. How about a \$244 million subsidy for food on Amtrak? Maybe we want to continue to have Amtrak. Maybe it is worth it to us to have a \$1.5 billion subsidy every year on Amtrak. I would agree with that. Maybe that is the right priority. But should we be subsidizing a quarter of a million dollars a year for people's food on Amtrak? But we are.

Other items – essential air service to small communities that are within driving distance of another community, we are going to spend \$110 million this year. How about the fact that we are going to pay Federal employees \$250 million to ride the transit? Nobody else in this country gets paid to ride the transit.

Nobody else gets their transit bills paid. But Federal employees, we are going to take a quarter of a billion dollars every year, and we are going to say to some of the best paid, best benefited workers in the country that we are going to give you a quarter of a billion dollars in subsidy so you will ride the transit. Well, economics will tell them to ride the transit. The American taxpayer shouldn't do that.

Well, I am wearing thin, I know, my colleagues, and so I will stop and enter into the *Record* the remaining 50 pages of examples I have of stupidity for which we are responsible. The real important thing to keep in mind, if you have been listening to this, is that we are on an unsustainable course, that, in fact, a child born today is going to inherit something different from what we did. We inherited opportunity. They are going to inherit debt. We inherited a leadership and a heritage that says you sacrifice for the next generation. They are going to inherit a legacy that says you kick the next generation in the teeth.

Everything I have outlined today is something we could have controlled, we as Members of the Senate, but we are so busy doing earmarks that we don't do any oversight. Now, what I just outlined to this body is what my staff has discovered in 3 years. Think what would happen if all of us were aggressively oversighting every agency of the Federal Government. Think how efficient it would be. Think how much waste wouldn't be there. Think about what a great deal we would be doing for these kids.

America expects us to tighten our belt. They expect us to do what they are having to do right now. They are tired of our wasteful spending, they are tired of our earmarks, and they are tired of our bridges to nowhere. We better listen. There is a rumble, and if we don't listen, it is our own fault that we will continue to decline in esteem in front of the American people. We will have well earned it.

So the next time somebody says they want to raise your taxes, ask them how much of that they got rid of before they do it. We don't have a shortage of money. We have a shortage of courage. We have a shortage of character. We have a shortage of intensity to solve the real problems that are facing this country. And until we tackle this, we should not say one thing to anybody in this country about increased taxes. It is morally reprehensible, it violates our oath, and most of all, it does great damage to our country.

I ask unanimous consent that the examples that I referred to be printed in the *Record*.

There being no objection, the material was ordered to be printed in the **RECORD**, as follows:

Homeland Security Funds for Fish Fries and Spaghetti Dinners

Indiana homeland security officials warned one county in 2006 to stop using electronic emergency message boards to advertise fish fries, spaghetti dinners and other events. Homeland Security, which bought the 11 signs for \$300,000, said the county could risk losing Federal money. The Newport Chemical Depot, which is considered a potential terrorist target, is located in the same county in western Indiana. In the case of an evacuation, the signs could flash routes for drivers to take. The message boards also could be used during floods or other natural disasters. Using them for ads violates federal rules and could dull the public's attentiveness to the boards, said the executive director of the Indiana Department of Homeland Security.

Department of Homeland Security Grants

There isn't a training program out there that DHS doesn't like to fund. Overlap and duplication abounds within FEMA's office of Grants and Training and the multiple grant programs it manages that fund counter-terrorism training for State and local first responders. One of these programs, the Demonstration, Training, Grant Program, has received \$63.6 million from 2004 to 2007 and has awarded 29 grants ranging from \$750,000 to \$6.5 million. However, despite this considerable investment by the American taxpayers, as of 2007, none of the training programs developed using Demonstration Training Grant funding have been deployed for use. In addition, some of the programs appear to duplicate other training programs provided both within DHS and with counter-terrorism training programs provided through other Federal agencies. Even the Administration saw that continuing to fund this program was a waste of money. The President did not request funding for the Demonstration Training Program in fiscal years 2007 and 2008 yet Congress chose to continue funding the program, giving it \$30 million in 2007 and \$28 million in 2008.

DHS--Customs and Border Protection Request a Shopping Trip

The Department of Homeland Security recently requested that a training conference be located within walking distance of a major shopping center. According to a solicitation

notice from the Department of Homeland Security Customs and Border Protection (CBP), the federal agency ``desires a hotel located within walking distance of (or short courtesy van trip) a major shopping mall which includes multiple significant department stores and/or the Tanger Outlet mall (near exit 213), for the convenience of the participants/guests" of an upcoming training conference. The notice also states that ``Contractor shall provide/or assist with local transportation to/from local eateries and shopping, within the surrounding areas of Contractor's establishment, to include major mall and/or Tanger Outlet Mall."

Interoperable Communications Grant Programs

There are currently two identical grant programs in the federal government that fund interoperable communications, with one housed at the Federal Emergency Management Agency within DHS, and the other at the Department of Commerce. The Interoperable, Communications Grant Program operated by FEMA was created in 2007 and authorized to spend 3.3 billion, while the Public Safety Interoperable Communications Grant Program at Commerce was created in 2005 and authorized to distribute \$1 billion. Both programs are identical in every possible way except for their authorized funding levels and the Departments in which they are located. To further highlight the duplication, it should be noted that the Department of Commerce contracted with FEMA to administer its program, meaning both identical programs are being administered by the same agency. Various public safety organizations commented that having two identical programs simply created confusion and wasted resources. A Coburn amendment was filed last year to combine both programs by eliminating the Commerce program and adding it's funding to the FEMA program, but the amendment was voted down by the full Senate.

Katrina

Katrina Waste

FEMA's Individuals and Households Program (IHP), provides direct assistance (temporary housing units) and financial assistance (grant funding for temporary housing and other disaster-related needs) to eligible individuals affected by disasters. A September 2006 Government Accountability Report found that management of the IHP program in response to Hurricanes Katrina and Rita resulted in as much as \$1.4 billion in improper and potentially fraudulent payments due to invalid registration data. In addition, duplicate payments were made and FEMA lacked accountability for the debit cards (each with a \$2,000 spending amount) that were given to disaster victims. Examples of abuse included the purchase of a \$200 bottle of Dom Perignon champagne at a San Antonio Hooters restaurant, payment for divorces, a sex changes operation, luxury handbags, a Caribbean vacation, professional football tickets, and adult entertainment. And because of FEMA's notoriously bad financial controls and reporting after Hurricanes Katrina and Rita, these are likely only a fraction of the total cost of mismanaging this program.

Miscellaneous

Abraham Lincoln Bicentennial Commission

The Commission was authorized in FY 2002 to create education programs, public forums and arts projects to provide an opportunity to re-examine what it means to be American in the 21st century finding unity in our diversity. "The Bicentennial commemoration of his [Lincoln's] life and legacy will be a bright beacon to completing our nation's unfinished work." The Bicentennial celebration will culminate in a Washington DC "Bicentennial Birthday Gala" with a "world class concert and entertainment special" in DC with "nineteenth century popular and patriotic music" being performed by "outstanding military bands." The Birthday Gala will be followed by a Lincoln Memorial Rededication with a "memorable public program." Additionally, a Joint Meeting of Congress will take place in the U.S. Capitol's Statuary Hall. After a keynote address by a political leader or "senior Lincoln historian", guests will proceed to lunch at the library. So far, all the planning and arranging of these and other national activities has cost the American taxpayer \$2.95 million.

Inspector General Investigation of an Employment Training Grant

The inspector general for the Department of Labor issued a scathing report in February 28 highlighting more than \$11 million in improper expenditures by the Consortium for Worker Education (CWE). The grant for CWE was issued to provide employment services to participants and employers impacted by the events of September 11, 2001. According to the inspector general, "CWE reported it registered 24,195 enrolled participants, but only documented 20,513 registered participants of which 366 were ineligible and 115 were missing support documentation." Labor department investigators also found that "Federal requirements were not followed when charging costs to the grant" and that four out of five of the program's reported outcome measures could not even be audited. The inspector general also noted that it may be forced to recover \$13 million from the grant if CWE does not adequately justify its expenditures and accounting methods.

NOAA's Totally Bogus Taxpayer Funded Birthday Bash

In June 2007, the National Oceanic and Atmospheric Administration (NOAA) announced that it planned to spend scarce taxpayer resources on a "200 year anniversary celebration." The announcement was especially odd given that NOAA was only 37 years old at the time. According to the department's website, "[T]hroughout the year, NOAA will be hosting an array of events around the country to celebrate the agency's 200-year history." Events listed included a Washington, D.C. gala, a reception for members of Congress, a festival and concert at Hawaii's Waikiki beach park, outreach at the Iowa State Fair, and other activities. Oddly enough, the department's website also stated that "during 2000, NOAA celebrated its 30th anniversary as a federal agency[.]" A series of costly celebrations were also held that year in honor of the "anniversary." According to NOAA, the total cost of the bogus 200th birthday bash was nearly \$1.6 million.

Low-Income Legal Aid Wasted on Chauffeurs, Lavish Meals and Foreign Trips

A 2006 investigation of the Legal Services Corporation by the Associated Press found that the agency's executives wasted taxpayer money on chocolate desserts, \$400 chauffeured rides to locations within cab distance from their offices, and luxury office space in "Washington's tony Georgetown district." Although the Legal Services Corporation, which was created to provide legal assistance to low-income Americans, turns away half its applicants for lack of resources, it still found plenty of ways to spend money on lavish items. In one instance, the agency's board members even gave themselves meal allowances that doubled the amounts given to other staff. Other extravagant expenditures found by the Associated Press include a \$59 three-entrée buffet, an \$18 breakfast featuring scrambled eggs with chives, a \$28 deli buffet, and \$14 "Death by Chocolate" desserts. Total cost?

EPA Grant for a Caribbean Shopping Trip

In 2007, the inspector general for the Environmental Protection Agency (EPA) found that the agency spent \$356,012 to send Philadelphia high school students on a shopping trip to the U.S. Virgin Islands. According to the trip agendas, the U.S. students were to take a kayak tour, attend a lecture, and visit a camp in the Virgin Islands. The agency spent \$261,590 to pay for students in the Virgin Islands to travel to Philadelphia. The inspector general wrote in its report on the

grant that "[t]he U.S. students also visited Coral World Ocean Park and resort locations, while both groups took shopping trips." Although the grant was supposed to promote environmental stewardship, a majority of money for the grant (52 percent) was spent on travel, and less than half the time of the trips was spent on environmental-related activities. The grant was also used to purchase 128 computers that met only general education needs that were not even part of EPA's mission.

Smithsonian Director

According to an investigation by the Washington Post, the director of the Smithsonian Museum of the American Indian spent \$250,000 in taxpayer money on "first-class transportation and plush lodging in hotels all around the world, including more than a dozen trips to Paris." A separate investigation found that another top Smithsonian official accumulated nearly \$90,000 in unauthorized expenses between 2000 and 2005. His expenses included "charges for jet travel, his wife's trip to Cambodia, hotel rooms, luxury car service, catered staff meals and expensive gifts." The Smithsonian inspector general found that a few months after this Smithsonian head took office, he stopped filing the required monthly documentation "for administrative ease."

Government Printing Office, Daily Printing of the Congressional Record

The Government Printing Office prints approximately 5,600 copies of the Congressional Record for each day Congress is in session. This cost the American taxpayer over \$6.5 million annually. Of the 5,600 copies printed daily, over 1,400 are distributed to House offices, Committees and post offices, over 1,500 are distributed to

Senate offices and Committees, and the remaining copies are distributed to various sources, including federal agencies and federal depository libraries all at the taxpayers' expense. The daily Congressional Record is available online and previous Congressional Records are available online dating back to 1989. Instead of accepting that we live in an increasingly paperless world and stopping the wasteful printing of the Congressional Record, we would rather just continue big spending as usual by throwing millions of dollars and tons of paper in the waste basket.

ECHO Center

\$97,000 was appropriated in the 2008 Omnibus for the ECHO Center in Burlington, VT, for education regarding the Lake Champlain Quadracentennial. According to its Website, the ECHO Center, also known as the Ecology, Culture, History, and Opportunity at the Leahy Center, is a lake aquarium, science center, and community resource. Its purpose is to "educate and delight people about the Ecology, Culture, History, and Opportunities for stewardship of the Lake Champlain Basin." To complete the ECHO center, a \$14.5 million ten-year fundraising campaign was necessary. According to its Website, more than half of the funds for this campaign came from the federal government. The Lake Champlain Basin Science Center--the non-profit organization that runs ECHO--listed a total of more than \$12 million in assets at the close of the 2005 fiscal year and has received more than \$4.4 million in federal grants since 2000--including more than \$600,000 last year. It is expected that the quadracentennial will bring in revenues of up to \$133 million. In light of these estimates why is further federal investment outside of the competitive bidding process for an educational exhibit regarding this special event necessary? The fact that numerous other educational and heritage-related initiatives already exist, or are being pursued on the state and local level makes this request for additional federal funds unnecessary and duplicative. Given that the ECHO center has already spent over \$7 million in federal taxpayer funds on national priorities such as becoming the first LEED-certified building in Vermont, and offering a water-play space for kids to build dams and float boats, and that its net assets total more than \$12 million, the federal taxpayer may be forgiven for thinking this is a poor investment of federal funds.

DOT--Museum of Glass

In FY 2006, Congress gave \$500,000 to the Museum of Glass in Tacoma, Washington. The mission of the museum is to provide a dynamic learning environment to appreciate the medium of glass through creative experiences, collections and exhibitions. The museum showcases works by internationally known artists who illuminate trends in contemporary art, highlighting glass within a full range of media. The Museum of Glass has featured exhibits in Mining Glass, which showcases the work of eight internationally distinguished contemporary artists working with glass, as well as Czech Glass from the 1945-1980 period. The museum also features live glassmaking in the Hot Shop Amphitheater and dining in the Gallucci's Glass Café.

Beach Nourishment for Imperial Beach and other Beaches

An earmark included in the Water Resources Development Act of 2007 authorized \$8.5 million for current beach nourishment for Imperial Beach in Southern California and federal funding for periodic beach nourishment every ten years for a period of 50 years for an estimated cost of \$20,550,000 in federal funds. Such "nourishment," however, is not essential and does not merit siphoning funds away from higher priority Corps projects, such as protecting the thousands living in the Sacramento valley who are still at risk of catastrophic flooding. The White House Statement of Administration Policy urged eliminating funding for beach nourishment in WRDA and President Clinton also sought to discourage federal beach nourishment projects. Adding sand to beaches, at best, provides a temporary fix to local erosion concerns that could potentially lead to property damage and encourages risky development and construction along shorelines at federal taxpayer expense. The \$1.2 billion wasted through beach restoration federal appropriations from 1995-2005 could have been spent on other federal priorities or gone to pay off our growing national debt.

Wake Ferry, WA

\$1.54 million was appropriated in the 2008 Omnibus for the Kitsap Transit, Rich-Passage Wake Impact Study. "[This] study is working to finalize the design plans and specifications for a high speed passenger ferry service between Bremerton and Seattle. The funding will be used to study the response of the sands and gravels on the beaches along the route through Rich Passage, biological monitoring and analysis, financial feasibility analysis and public outreach including a website and newsletter. The funds will also include the use of an existing foil assisted catamaran to simulate actual operating conditions of a designed boat so that potential impacts, if any, can be assessed and appropriate measures can be taken to protect the shoreline." In total \$7.79 million has been appropriated for this study along with \$4 million for earmarks for a "low-wake, passenger-only ferry." Both of these projects have been almost entirely federally-funded during a time when the Kitsap Transit Authority moved into a new 45,000 sq. ft office and retail complex that offers stunning water and mountain views. Not to worry, though, they can be assured that their taxpayer dollars have created the "lowest-wake boat in the world" when it hits the water. While environmentally-friendly high-speed ferries may be convenient and provide greater economic opportunities for certain communities, they are not national priorities and should not be funded by federal taxpayer dollars until more pressing national infrastructure concerns are addressed.

Bangor Waterfront, ME

\$262,500 was earmarked in the 2008 Omnibus for development of the Bangor Waterfront Park on the Penobscot River for the city of Bangor, ME. Federal funding for developing this waterfront exceeds \$4.5 million through various earmarks, grants, and contracts. "The park will be the centerpiece of Bangor's waterfront destination for local and regional populations and out-of-state tourists alike. It will provide several venues for outdoor performances including the American Folk Festival. The park will complete long-term efforts to acquire, clear, remediate, and redevelop Bangor's historic waterfront." Playgrounds, a fitness area for adults, a trail system, and a picnic area are

things that the community is expecting to see on the waterfront. These regional desires, however, should not be prioritized over national infrastructure needs like deficient federal bridges.

Chesapeake Buoy

\$446,500 was appropriated in the 2008 omnibus for an interpretive buoy system along the Captain John Smith Chesapeake National Historic Trail. The purpose of the buoys is to "promote awareness of the Bay's condition, and to support the stewardship efforts of educators, trail users, government, and civic organizations dedicated to the preservation of the Bay and its natural environment." This buoy system will "mark" the newly created John Smith National Water Trail on the Chesapeake Bay. The "water trail" is the first entirely water-based National Historic Trail. The recipient of this earmark is the Conservation Fund of Arlington, Virginia; and other partners of this project include the National Geographic Society, the Chesapeake Bay Foundation, Sultana, Verizon, and others. The Conservation Fund is listed as having net assets totaling more than \$275 million and has received over \$23 million in federal funds since 2000, according to FedSpending.org. The Chesapeake Bay Foundation, which has encouraged the creation of this NPS trail, boasts just under \$70 million in net assets and had a revenue surplus of \$7 million in 2005 alone. The National Geographic Society reported an income of \$531,595,929 with over \$45,000,000 in profits and total assets of \$1,127,705,462 in 2005. Promoting tourism in the Chesapeake Bay and increasing understanding of the historic voyages of Captain Smith are well intentioned goals but are clearly not urgent, federal priorities. Likewise interactive buoys may be innovative ways to educate tourists and visitors about the Bay and Captain Smith's voyages, but they are inessential extravagances. Fortunately, the organizations that are heading up this effort, including the recipient of the earmark, have sufficient financial assets to ensure the continuation of this project.

Earmarks for relatives

According to a recent investigation by USA Today, in 2006 "lobbying groups employed 30 family members to influence spending bills that their relatives with ties to the House and Senate appropriations committees oversaw or helped write." 2006 appropriations bills contained \$750 million for projects championed by these lobbyists. Of the 53 relatives or former top aides to lawmakers on the powerful appropriations committees working at lobbying firms last year, 30 lobbied the legislator or the legislator's top aide for appropriations that the Member oversaw. Of those 30, 22 succeeded in their quest to insert specific earmarks in appropriations bills. That incredible rate of success--almost 75 percent--explains why lobbyists with personal ties to Members have been in high demand. Projects procured with the help of such lobbyists have included \$1.5 million for an underground facility in a cavern that would be used to protect financial information, \$2 million for an earmark not requested by the Department of Defense for a company that produces armor products that gave nearly \$11,000 to the sponsor of the earmark, \$1.28 million to widen a road near an upscale shopping center the earmark's sponsor helped to develop, and the creation of a fish marketing board that has received tens of millions in

federal earmarks and whose initial chairman was related to the earmark sponsor. Ethics rules that do not prohibit this clear conflict of interest that borders on the corrupt enable such wasteful and inappropriate spending to occur at the cost of the American taxpayer.

ITBC

The InterTribal Bison Cooperative's (ITBC) bison restoration program has received \$8.2 million in federal earmarks since 2000. ITBC seeks to "restor[e] buffalo to Indian Country, to preserve [the Indian] historical, cultural, traditional and spiritual relationship for future generations." ITBC members also claim that ITBC enables Native Americans to eat more buffalo meet, which is healthier than other forms of meat. President Bush has repeatedly attempted to eliminate this program because it is not central to the Bureau of Indian Affairs (BIA) core missions or responsibilities. BIA has concerns with the management of the program, as of the roughly \$4 million in funding appropriated in 2006, less than \$1 million was directed to individual tribal projects. Specifically, out of the almost \$4 million funded by taxpayers, only \$859,180 was distributed to 15 tribes for bison projects. A total of \$3,127,782 was left for ITBC administration and technical assistance; meaning that for every one dollar allocated to the ITBC, 27 cents went to bison projects. Furthermore, despite an increase in funding of \$1,786,962 in for fiscal year 2006, only an additional \$30 was allocated to bison projects (previously spread among 21 tribes). These funds would be better spent on providing necessary Indian health services. More than \$8 million has been wasted on this program.

HUD--International Peace Garden

The Fiscal Year 2008 appropriations bill for the Department of Housing and Urban Development (HUD) included a provision directing \$450,000 to renovate facilities at the International Peace Garden in Dunseith, ND. The International Peace Garden is a 2,339 acre botanical garden on the U.S. and Canadian borders of North Dakota and Manitoba, created in 1932 as a symbol of friendship between the two nations. According to the garden's website, "Reflecting pools and dazzling colorful floral displays of over 150,000 flowers splash across the grounds of the Formal Garden's terraced walkways." While the International Peace Garden center may stand a symbol of the friendship between the United States and Canada, renovation is not essential, especially when it is estimated there are 700,000 homeless persons living in the U.S. According to HUD's website: "HUD's mission is to increase homeownership, support community development and increase access to affordable housing free from discrimination." Nearly half a million dollars for facility renovations to the International Peace Garden does not appear to advance this mission.

Cleveland-based Head Start provider accused of pocketing \$7.5 million for poor children it did not serve

Head Start is a national program that promotes school readiness by enhancing the social and cognitive development of children through the provision of educational, health, nutritional, social and other services to enrolled children and families. A recent state audit

accused a Cleveland-based Head Start provider of pocketing \$7.5 million for poor children it did not serve. The audit, says the Ministerial Day Care Association was paid for 5,162 children in 1998 through 2000, but could only document serving 3,415 youngsters. It's the second major finding against the Ministerial Day Care Association, which was accused in a 2002 state audit of wrongly collecting \$3.8 million in taxpayer dollars. The State no longer funds the agency, but the group still collects Federal Head Start money as well as funding from the Council for Economic Opportunity in Cleveland, Ohio.

Duplication--Early Education

In 2000, the Government Accountability Office published a report titled, "Early Education and Care: Overlap Indicates Need to Assess Crosscutting Programs." The report identified duplicative programs providing education or care for children under the age of 5. The GAO report found 69 early education programs administered by 9 different agencies. GAO revisited this report in 2005, and found that the landscape of federal programs remained largely the same as in 2000. Five years after the original GAO report warned that a large number of programs creates the potential for inefficient service and difficulty accessing services, GAO found 69 early education programs exist, the same number as in 2000, but the programs are now administered by 10 different agencies. During the 5 years between GAO reports, 16 programs were removed from the list, and 16 were added back.

HHS--Four Federal Agencies Sponsor Conference at Walt Disney World

A three-day, expense-paid trip to Walt Disney World Resorts sound like a dream vacation--but it's not. It's research, according to four federal agencies who sponsored a conference in Orlando, Florida. The 2007 Academy Health Research Meeting was held at the Walt Disney World Swan and Dolphin resort in Orlando, Florida. The posh resort boasts "an environment of elegance and opulence" featuring "the beauty and tranquility of waterways and tropical landscaping." Federal sponsors included the Agency for Healthcare Research and Quality (AHRQ), the Centers for Medicare and Medicaid Services, the National Center for Health Statistics, and the Health Services Research and Development Service of the Department of Veterans Affairs.

USDA--Goose Poop Cleanup

For 3 consecutive years (Fiscal Years 2004 through 2006) Congress has appropriated money for the "Goose Control Program." The Goose Control Program uses humane methods to stop Canadian geese from ruining parks and fields in New York. Canadian geese in Long Island, NY pose a year-round problem, destroying golf courses, parks and fields at important public facilities. The Goose Control Program partners with "GeesePeace," an organization using environmentally-safe and non-lethal methods to reduce the number of geese and redirect them away from public places.

USDA--Imiloa Astronomy Center in Hawaii

Last year, Congress gave NASA \$1.5 million to fund the Imiloa Astronomy Center. The Imiloa Astronomy Center is located on a nine-acre campus above the University of Hawaii-Hilo, and according to the website, features interactive exhibits, planetarium shows, group tours, a store and a cafe for visitors to explore the connections between Hawaiian cultural traditions and the science of astronomy. The center was formerly called the "Mauna Kea Astronomy Education Center" and has received more than \$30 million in federal funding since FY 1999.

USDA--Subterranean Termite Research

The Department of Agriculture gives funding to scientists to develop and implement alternative methods to control and prevent termite damage to homes and other structures. The scientists devise and test control methods that are consistent with public health and environmental safety in warm weather states. Supporters argue that with increasing environmental concerns, especially ozone depletion due to fumigation control methods, as well as concerns for public health and safety, there is a continuing need to develop safe methods to control this devastating pest.

The National Science Foundation

The National Science Foundation is an independent federal agency created by Congress in 1950 to promote the progress of science. With an annual budget of about \$6.06 billion, NSF is the major source of federal backing in many fields such as mathematics, computer science and the social sciences. The NSF website features the "Discoveries" made possible with NSF funding and support, including:

Helpful Robot Alters Family Life: Robotic vacuums are warming their way into homes and even taking on a personality for some families.

The Smell of Money: Research suggests an absence of metallic chemicals in the strong metallic odors that result from people handling coins and other metals.

Company Name Influences Stock Performance: Easy to pronounce names perform better in stock markets.

Monkey Business: The discovery of capuchin monkeys in the wild using stones as nutcrackers may tell us something about the monkeys' ingenuity, and more about ourselves.

The Implications of Making Care-Giving Robots Lifelike: Robots designed to help the elderly may be given the ability to interact in human-like ways but what are the implications of doing this?

Advanced Technology Program

The Advanced Technology Program (ATP) was created in 1988 to increase our country's global competitiveness by investing in businesses and ideas that could not attract private investment. Instead of promoting successful business initiatives, however, the program quickly became a vehicle for wasteful corporate welfare. For example, such struggling small businesses as GE, IBM, and Motorola have received hundreds of millions of dollars from this federal program. A Government Accountability Office study of the program even found it "unlikely that ATP can avoid funding research already being pursued by the private sector[.]" And according to the Program Assessment Rating Tool developed by the Office of Management and Budget, ATP does not address a specific need and is not even designed to make a unique contribution. Between 1990 and 2004, the program spent over \$2 billion on various investments of dubious value. Last year, instead of addressing the core problems within the federal program, Congress just chose to tinker around its edges and give it a new name.

HHS--Head Start

The Head Start program was established in 1965 to promote the school readiness of low-income children. In 2005, GAO issued a report that raised concerns about the effectiveness of the Department of Health and Human Services (HHS) Administration for Children and Families' (ACF) oversight of about 1,600 local organizations that receive nearly \$7 billion in Head Start grants. The report found that among other program risks, ACF made limited use of financial reports and audits to ensure that all grantees effectively resolved financial management problems. ACF had also made little use of its authority to terminate grantees that did not meet program requirements and fund new grantees to replace them. A GAO report released just last month found that ACF has not undertaken a comprehensive assessment of risks to the federal Head Start program, despite the 2005 recommendation. The report stated, "In light of federal budget limitations and increasing expectations for program accountability, ACF's ability to demonstrate effective stewardship over billions of dollars in Head Start grants has never been more critical."

Working for America Institute

The Department of Labor's Working for America Institute (WFA) was originally funded through the Workforce Investment Act in 1998 which revised job training laws and set up systems of local and state "Workforce Investment Boards." WFA and other organizations were funded across the country to help the new Boards develop their capacity to implement WIA. The Department of Labor phased out the capacity building programs in 2003 after they determined that the Boards had enough capacity and experience with WIA implementation and that funding should instead go to actual service delivery for job training programs. DOL also found that the assistance provided by WFA was duplicative and less effective than similar programs already funded through DOL's Employment and Training Administration which has the primary mission of administering federal job training programs. Despite the duplication and ineffectiveness, WFA received \$3.5 million in Congressional funding from 2004-2007.

Small Business Child Care Grants

This brand new program directs the Secretary of Health and Human Services to establish grants to assist states in providing funds to encourage the establishment and operation of employer-operated child-care programs. The program is unnecessary and duplicative. HHS already administers the Child Care and Development Fund which consists of two block grants totaling more than \$5 billion annually available to States for providing child care to low income workers. Additionally, states can transfer funds from their TANF block grants for child care assistance. In FY06 States transferred more than \$1.8 billion from TANF for child care and could have transferred even more since States left \$2.15 billion unspent in their TANF accounts. Another HHS program available to states for various purposes including child care assistance is the Social Services Block Grant. Child care assistance routinely ranks in the top 5 uses for the grant with states spending about \$1.7 billion annually on child care assistance. Despite the billions of HHS grant dollars already available and utilized by States for child care assistance, the Small Business Child Care Grant program was funded by Congress at \$5 million in 2007.

Dwight D. Eisenhower Memorial Commission

The Commission was authorized in FY2000 to create an enduring Eisenhower National Memorial in the nation's capital. The Commission selected a site for the Memorial and won Congressional approval in 2006. The memorial site is near the Department of Education which was originally created by Ike within the "Department of Health, Education and Welfare" which later split into HHS and Department of Education. The Commission's next step is to select a design for the memorial. Since 2000, Congress has allocated \$6.35 million to the still unfinished project.

Community Development Block Grants. The Community Development Block Grant, or CDBG, program is a \$3.87 billion program housed at the Department of Housing and Urban Development. CDBG transfers federal funds to certain local governments for broad uses such as housing, so-called "economic development" activities, social services, and infrastructure. CDBG has insufficient accountability, ambiguous goals, untargeted funding and no standardized outcome indicators. The CDBG formulas used to disperse the funding have not been updated since the late 1970's. As a result, many wealthy communities receive 3-4 times more CDBG funds per capita than many poor communities. As one example of unfair targeting, in 2005, Temple, TX had an average \$20,000 per capita income and received \$15 per capita in CDBG funds. Meanwhile, wealthy Oak Park, IL averaged \$36,000 per capita income and received \$39 per capita from the program. Portions of CDBG are used by Appropriators to carve out earmarks for things like aquariums, speed skating rinks, ski chalets, whitewater rapid training centers, boat houses and parking garages. Since 2005, the total cost of these earmarks ranged from \$180 to \$350 million. During the past 3 years, the Inspector General has audited a miniscule number of CDBG grantees and yet found more than \$100 million in waste, fraud and abuse of CDBG funds. If the Inspector General had the resources to comprehensively audit the program, the total waste and abuse of funds could be many times greater.

TV Converter Box Coupon Program. The Department of Commerce TV Converter Box Coupon Program was established in 2005 to help people pay for the equipment they would need to keep their televisions working once all broadcast signals convert to a digital format next year. Starting in January of this year, every household in America became eligible to request up to two \$40 coupons from the Dept. of Commerce to pay for converter boxes for their televisions. Columnist George Will, outraged by Congress' willingness to turn television into an entitlement, dubbed the provision that created this program the ``No Couch Potato Left Behind Act." Ironically, the \$3 billion that was authorized for this program came out of the ``Deficit Reduction Act," though it will do nothing but add to the deficit. Even though the administration is only requesting \$130 million for FY2009, this program is wasteful in any amount because it uses taxpayer money to pay for private television use at a time of deficit spending.

Official Time for Unions. Federal employees are allowed under current law to do union work while on the clock for their federal government job--this is known as ``official time." Between 2002-2004 federal employees consumed 13.6 million hours of official time to do union work, which is equivalent to more than 6,500 full-time work years over that time. Incidentally, there are numerous reports of federal employees who do no work for their employing agencies at all, but are paid entirely to work on behalf of their union. The estimated cost of paying federal employees to do union work over just those three years is about \$300-\$400 million. This means that taxpayers who might not support the political aims of federal unions are being forced to subsidize their operations on a massive scale. While the Administration started collecting government-wide statistics for official time in 2004, official time has remained stubbornly in place and is badly in need of being addressed by the Congress. Ideally, federal employees would be limited in their ability to do union work no more than 10% of the time, though even that seems far higher than is reasonable.

Additional Examples of Fraud Waste and Abuse of Taxpayer Dollars 2008

National Science Foundation grant money misspent to purchase Waverunner, Wide-screen TV, season tickets to football games, a \$1,900 frozen-drink-machine, and holographic lighted palm trees. Federal agents recently searched the home of a former Georgia Tech employee who is accused of ringing up more than \$316,000 in personal charges on her state-issued credit card, using grant money from the National Science Foundation, federal documents charge. The former administrative coordinator bought more than 3,800 items, including a Waverunner personal watercraft, a wide-screen television, and items ranging from season tickets to Auburn University football games in Alabama to a \$1,900 frozen drink machine and holographic lighted palm trees. She also bought an electric double wall oven, dishwasher and high priced Henckel knives for her kitchen. She charged air conditioning units for her RV and had hundreds of packages shipped to her Marietta home, charging thousands of dollars at Web sites such as Amazon.com and Nordstrom. The staggering number of purchases went unnoticed until August 2007, when a tipster contacted the Georgia Tech Department of Internal Auditing, according to the search warrant."

Local and national taxpayers suffer due to poor oversight over D.C. Health Safety network \$129 million annual program. The District of Columbia launched the D.C. Healthcare Alliance in 2001. The program, which faced a \$40 million deficit last year, provides free care to D.C. residents who earn too little to afford private insurance but too much to qualify for Medicaid benefits, and has a budget this year of \$129 million. Lax oversight over the program has opened the door to costly fraud, critics of the program have said. A new audit details the complete failure of the D.C. government to prevent outsiders from ripping off a health care program financed by city taxpayers that is designed to provide a safety net for the city's poorest. One audit finding showed that eleven District addresses, not including homeless shelters, accounted for 271 Alliance members, and another 216 addresses accounted for 1,866 members. The auditor also found that 16,720 of 63,167 Alliance data records contained no Social Security number, which may be explained by a large number of illegal immigrants in the program. The alliance costs the District \$212.21 per member per month, meaning local and federal taxpayers are out 1 million a year for every 400 people who scam it. In 2008, \$3.9 million come from federal tax dollars.

Ohio Association of Chiefs of Police unit told to halt spending association misspent tens of thousands of Homeland Security grant dollars on services such as lawn care, window washing and pest control. Taxpayers have a right to expect that the millions of dollars from their pockets spent to bolster state's homeland security efforts will have concrete results. Instead, one state agency misspent more than \$182,000 in 2005. According to a recent Inspector General report, "A state agency has ordered the Ohio Association of Chiefs of Police to stop spending homeland security money while a federal auditor reviews allegations of misspending." A state audit found the chiefs association has misspent tens of thousands of federal dollars on such services as lawn care, window washing and pest control, and has continued to fail to document hundreds of other costs. The chiefs association was awarded \$7 million a year in 2004, 2005 and 2006, tripling a budget that had been used to train officers and develop crime-fighting programs. The state Emergency Management Agency found incomplete records and irregularities for each of the three years the unit was awarded funds.

2007

Centers for Disease Control (CDC) can't find \$22 million in equipment. More than \$22 million worth of scientific equipment and other items is missing from the CDC, raising "troubling issues" about the Atlanta-based agency's ability to manage its property, according to members of a congressional oversight committee. There were 5,547 items of property, worth more than \$22 million, unaccounted for at CDC as of February 22, 2007.

CDC funded Hollywood to help write TV Shows with millions from taxpayers.

CDC has spent \$2.01 million--and plans to spend up to \$250,000 in FY08--to fund a Hollywood liaison to help TV shows like "General Hospital," "The Young & The Restless," and "24" with their fictitious storylines. CDC used \$51,500 in CDC terrorism funds for the Hollywood liaison program. Based on CDC data, the agency spent

approximately \$6,000 per TV episode consultation. CDC's media affairs office could field questions from the entertainment industry and free up millions in CDC funds for health and biosecurity needs.

NIH paying \$1.3 million monthly for unused lab as vibrations still an issue at new Baltimore facility. The federal government has begun paying millions of dollars in rent for a new medical laboratory facility in Southeast Baltimore, but federal scientists, who were supposed to relocate there a year ago, are still months away from moving in. The National Institutes of Health expects it will take three more months to determine whether vibration problems with the building have been fixed and whether all scientists who were supposed to transfer there will be able to. The Sun reported last year that the agency and many researchers feared the vibrations would skew results of sensitive microscopes and other lab equipment. The \$250 million building, called the Biomedical Research Center, is on the Johns Hopkins Bayview Medical Center campus. The building has been promoted as a state-of-the-art facility for research programs on aging and drug abuse, and is a cornerstone for redevelopment in the Southeast Baltimore neighborhood. Last month, NIH began paying more than \$1.3 million a month in rent and upkeep.

Feds Spending Thousands of Taxpayer Dollars on Social Networking Sites.

Most federal agencies maintain websites publicizing their mission, work and outreach. Some press reports estimate the number of federal websites to be in the range of 20,000. Apparently the proliferation of websites promoting U.S. government federal agencies and their work is not enough. Some agencies, such as the Centers for Disease Control (CDC) at the Department of Health and Human Services, the National Aeronautic and Space Administration (NASA) and the National Oceanic and Atmospheric Administration (NOAA) at the Department of Commerce are looking towards social networking sites as a new publicity front. NOAA has spent 25,000 for publicity on Care2 networking site to promote 2008 as the "International Year of the Reef" and hosts "virtual island" on the Second Life site.

Over \$100 million in fraud is found in the Federal Employee Health Program.

The Inspector General for the Office of Personnel Management (OPM), the federal agency that administers health benefits for government employees, found that the health benefits program was defrauded of \$106 million by participating providers. According to the OIG report, the fraudulent spending came as the result of medical companies overcharging the government or arranging kickback schemes to promote the use of their products. OPM recovered \$97 million from a large settlement with one such company, and the largest case resulted in a \$155 million settlement from Medco Health Solutions, which provides mail order prescriptions and related benefits to federal employees. The company settled a complaint that it paid kickbacks to health plans to gain their business, took money from drug manufacturers to favor their drugs and destroyed prescriptions to avoid penalties for delays in filling them.

NASA's 4-Star parties cost taxpayers millions as agency pays \$4 million a year for resort parties to honor some employees and lots of NASA contractors. On the same day NASA got an emergency \$1 billion in extra appropriations from the Senate, and former astronaut and Senator Ben Nelson (D-NE) said, "Right now we're at a critical point because NASA has been starved of funds," NASA put out a bid request for a four-star hotel for its December awards ceremony that will cost taxpayers between \$400,000 and \$500,000. A NASA spokesman sat down with CBS News and didn't think the event was frivolous or extravagant. In fact, instead of asking taxpayers if the resort parties should be a priority, he told CBS, "I think what I would do is ask the people who we have honored to give me an idea if they think this thing was reasonable, if they felt they were honored properly." NASA holds such a party every time there's a shuttle launch, for what CBS estimates is about \$4 million a year. This December's event will be the third of 2007. Amazingly, when asked by CBS News if NASA was told to cut their party money in half, its spokesman said, "If we were told that we had to reduce it I think we would reduce the number of honorees rather than trying to go to a poor place or a place that doesn't have good service."

Snacks Take Big Bite Out of DOJ Budget.--"double-dipping" for meal reimbursement by DOJ employees increases cost to taxpayers. An internal Justice audit showed the department spent nearly \$7 million to plan, host, or send employees to 10 conferences over the last two years. This included paying \$4 per meatball at one lavish dinner and spreading an average of \$25 worth of snacks around to each participant at a movie-themed party. The report, which looked at the 10 priciest Justice Department conferences between October 2004 and September 2006, was ordered by the Senate Appropriations Committee. It also found that three-quarters of the employees who attended the conferences demanded daily reimbursement for the cost of meals while traveling--effectively double-dipping into government funds. The audit did not compare Justice's conference costs to those at other government agencies.

Pentagon paid \$998,798 to ship two 19-cent washers as little oversight lead to blatant abuse of system. A small South Carolina parts supplier collected about \$20.5 million over, six years from the Pentagon for fraudulent shipping costs, including \$998,798 for sending two 19-cent washers to an Army base in Texas, U.S. officials said. The company also billed and was paid \$455,009 to ship three machine screws costing \$1.31 each to Marines in Habbaniyah, Iraq, and \$293,451 to ship an 89-cent split washer to Patrick Air Force Base in Cape Canaveral, Florida, Pentagon records show.

Untold Millions, Spent on Repetitive "Bullying" Programs in Multiple Federal Agencies? One program, HRSA's "Stop Bullying Now" was estimated to cost \$6.5 million in 2 years. In 2004, the Health Resources and Service's Administration (HRSA) through the Health and Human Services Administration (HHS) launched the program Stop Bullying Now. The extensive website includes a "stop bullying now jingle," 12 games ("Bully-wood Squares," connect the dots to reveal the bully, (etc), 12 "animated webisodes" featuring characters that "just might remind you of people you know." (see illustration) along with a promise to "post a new one every couple of weeks," along with advice and letters from HRSA's bullying "experts," Senorita Ortega and Mr. Bittner.

CNN reported in 2003 that HRSA's bullying program would cost \$3.4 million. However, in a response to a July 2006 congressional request, HRSA reported that \$6.2 million had been spent since the establishment of the program, almost double the amount of the original estimation. The program was not enumerated in HRSA's 2007 or 2008 budget justifications submitted by the agency to Congress.

Comic Capers at NIH. Congress doubled funding for the National Institutes of Health (NIH) over the past decade. While we haven't discovered a cure for cancer yet, the agency does provide you the opportunity to create and print your very own Garfield comic strips.

\$61.7 million in federal AIDS funds went unspent that could have been used to treat patients on AIDS drug waiting lists. An HHS OIG report reveals that bureaucratic inaction at the Health Resources and Services Administration (HRSA), not a lack of federal resources, has contributed to the patient waiting lists for AIDS drugs. "HRSA did not use the offset authority provided by the CARE Act and HHS grants policy to manage States' unobligated balances. By doing so, HRSA would have had available a larger amount of current-year funding to address program needs. For example, the offsetting option might have been useful in grant year 2002, when 10 States had unobligated Title II balances totaling \$61.7 million and 8 States had no balances or small balances and a documented need for additional resources. HRSA stated that it had opted against using the offset authority provided by the CARE Act.

Over \$45 million in Title I Ryan White CARE Act funds unspent over 5 year period while AIDS patients wait for drug assistance. The Health and Human Services Inspector General issued a review of unspent Ryan White CARE Act Title I funds (AIDS care grants provided to 51 metropolitan areas in the U.S.) and found that 46 eligible areas carried over more than \$45 million in unspent federal funds from two to five years beyond the original budget period between 1999 and 2003. During this period, there were hundreds of patients on waiting lists for AIDS Drug Assistance Programs throughout the country. A number of patients on these waiting lists died in South Carolina, Kentucky and West Virginia.

The Washington Post reported that NIH was paying an employee \$100,000 a year to do nothing. According to the article, "NIH Scientist Says He's Paid To Do Nothing: Agency Denies Administrator's Surreal Situation of Collecting \$100,000 Salary for No Work," every weekday at 6.30 a.m., Edward McSweegan climbs into his Volkswagen Passat for the hour-long commute to the National Institutes of Health. He has an office in Bethesda, a job title--health scientist administrator--and an annual salary of about \$100,000. What McSweegan says he does not have--and has not had for the last seven years--is any real work. He was hired by the National Institute of Allergy and Infectious Diseases in 1988, but says his bosses transferred the research grants he administered to other workers eight years later, leaving him with occasional tasks more suitable for a typist or "gofer."

Letter for Stimulus Rebate Checks. The recently passed stimulus package will provide rebate checks to 130 million households. Before those checks are issued, though, the

Internal Revenue Service will send a letter out to each household that will get a rebate check to inform them that the check is on the way. Unfortunately, the cost of sending these pre-rebate letters will be \$42 million once the costs are tallied for postage and printing. The letter will not contain the actual rebate, but will merely explain that the stimulus package was passed and what a citizen should do with the check once they receive it. It is not clear why this information could not be provided with the actual check at its time of arrival, leading some to think that the letter serves no higher purpose than to give Congress and the President a pat on the back. Surely, there could be a better use for the \$42 million--like giving it back to taxpayers.

Senate Restaurants. The Senate Restaurants, which is overseen by the Architect of the Capitol, operates the Senate cafeterias, catering services, snack shops, vending machine and the Senate Members Dining Room. A recently GAO audit found that the American taxpayers have covered the Senate restaurants' \$2.36 million operating losses during the last two combined fiscal years. The operating loss rose from \$1.02 million in 2006 to \$1.34 million in 2007. After taking in just over \$10 million of revenues in 2007, being \$1.34 million in the red translates into a 13.4% operating loss for the Senate Restaurants. No business could operate in the private sector with these kinds of losses but this is the kind of waste that we are seeing all throughout the federal government. Prompted, the recent GAO audit, the Senate Committee on Rules and Administration is now seeking an outside vendor to take over operations of the Senate Restaurants.

Unneeded Federal Buildings. The federal government currently owns 21,000 buildings that it says it no longer needs, which are all together worth \$18 billion. At the Department of Energy alone, the unneeded property is equivalent to three times the amount of square footage in the Pentagon--the largest building in the world. Unfortunately, the rules and regulations in place make it nearly impossible for federal agencies to sell these buildings in a timely manner on the open market. According to the rules, before an agency sells a property it is required to conduct extensive reviews to determine if the property could be used to meet some public benefit, such as a homeless shelter, school, airport runway or path for telephone wires. If a determination is made that the property could be used in this way, after a process that can take years, it is then available to be given away at no cost to an applicant. In the years that these rules have been in place, 30,000 properties have been required to undergo these reviews, but only a fraction of a percent of have ever been given away. Unfortunately, because all properties are required to undergo this process there is a tremendous bottle-necking effect, preventing agencies from selling unneeded properties. This hurts agencies in two ways: first, it means that agencies are deprived of the money that they could earn by selling the property, and second, it means that agencies are required to pay for upkeep of buildings they don't need. Instead of allowing these properties to be sold on behalf of taxpayers, Congress has chosen to keep the rules in place and wasted the opportunity to make \$18 billion.

2010 Decennial Census. The 2010 Decennial Census will use a six-question survey to count every person in the country, as required by the Constitution for apportioning the House of Representatives. The Census Bureau has recently estimated that the overall cost of the census would be \$11.8 billion, which is nearly double what was spent to conduct

operations in 2000. More recently, though, we have found out that the Bureau has so grossly mismanaged a \$600 million contract for handheld computers that cost overruns as high as \$2 billion are possible. Most of this cost would be the result of needing to abandon the handheld computers in favor of conducting the census entirely by paper. Due to the recent revelations, the Government Accountability Office has placed the 2010 Census on its High Risk List, which is reserved only for the most problematic programs in the federal government.

Mr. COBURN. Mr. President, I yield the floor.